CONFIDENTIAL - NOT FOR PUBLIC INSPECTION CONFIDENTIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

THE OTTOVILLE MUTUAL TELEPHONE COMPANY 245 W THIRD ST., PO BOX 427

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June 28, 2017

Via Federal Express

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Re:

The Ottoville Mutual Telephone Company (SAC 30650), WC Docket Nos. 10-90, 14-58; 2017 FCC Form 481, Stamped Confidential Document

Dear Secretary Dortch:

In compliance with Federal Communications Commission rules at 47 CFR §§ 54.313 and 54.422, The Ottoville Mutual Telephone Company (the "Company") herewith submits, under seal, its 2017 FCC Form 481 Stamped Confidential Document.

The Company requests that the financial results required pursuant to 47 CFR § 54.313(f)(2) in Section 3005 (Rate of Return Carrier Additional Documentation) be accorded confidential treatment. This includes the information required for Lines 3017, 3026, and 3027-3034 inclusive. Attached please find a statement of the reasons for withholding the redacted materials from public inspection pursuant to 47 CFR § 0.459. This Confidential Information also is submitted subject to Protective Order (*In the Matter of Connect America Fund ETC Annual Reports and Certifications*, WC Docket Nos. 10-90, 14-58, DA16-296, released March 22, 2016).

The Company has e-filed, through ECFS, its FCC Form 481 Redacted Confidential Document. Each page of the redacted filing bears the legend "REDACTED - FOR PUBLIC INSPECTION."

The Company is herewith providing to the Office of Secretary, under seal, this cover letter and its 2017 FCC Form 481 Stamped Confidential Document. Each page of the confidential filing bears the legend, "CONFIDENTIAL - NOT FOR PUBLIC INSPECTION" and "CONFIDENTIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

Thank you for your attention to this matter. Should you or any member of the Commission Staff have any questions or comments, please do not hesitate to contact us at your convenience.

Very truly yours,

William J Honigford

Attachment:

Statement of Confidentiality Request and Justification

Enclosure: 2017 FCC Form 481, Stamped Confidential Document

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STATEMENT OF CONFIDENTIALITY REQUEST AND JUSTIFICATION

The Ottoville Mutual Telephone Company (the "Company") is a small, rural local exchange company based in Ohio. The Company requests confidential treatment of certain information being provided to the Commission in its 2017 FCC Form 481, because the information is competitively sensitive and its disclosure would have a negative competitive consequence upon the Company were it to be made publicly available. Such information would not ordinarily be made available to the public and should be afforded confidential treatment under 47 CFR § 0.459.

Specifically, the Company requests that the documentation required in Section 3005 (Rate of Return Carrier Additional Documentation) pursuant to 47 CFR § 54.313(f)(2), which consists of the Company's financial results, including income statement, balance sheet, cash flow statement and financial data summary (Lines 3017, 3026 and 3027-3034 inclusive), be accorded confidential treatment (collectively "Confidential Information").

<u>Degree to Which the Information in Question is Commercial or Financial, or Contains a Trade Secret or is Privileged.</u>

The information sought in FCC Form 481 at Section 3005 is financial information, specifically all or parts of the Company's income statement, balance sheet and cash flow statement. Financial information clearly is deserving of confidential treatment. This is closely guarded, Confidential Information that the Company does not make publicly available.

The Confidential Information is also a trade secret under 5 U.S.C. 552(b)(4). While there is no clear federal definition, the *Uniform Trade Secrets Act* defines trade secret as information that derives independent economic value, actual or potential, from not being generally known to or readily ascertainable through appropriate means by other persons who might obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The information for which confidential treatment is sought meets that definition.

Degree to Which the Information Concerns a Service that is Subject to Competition.

Ohio has successfully opened its telecommunications markets to full competition. The services offered by the Company, including voice and broadband services, are subject to vigorous competition from competitive local exchange carriers, cable operators, wireless carriers and VoIP providers. Many of the Company's competitors are large, well-financed and national, even international in scope.

<u>Manner in Which Disclosure of the Information Could Result in Substantial Competitive Harm.</u>

The Confidential Information could be employed by both existing and potential competitors in a variety of ways, including: to determine the size of the market; the profitability of the market; and the financial resources of the Company. Clearly, were the Confidential Information to be made public, competitors could and would use this information to their competitive advantage. Moreover, disclosure would adversely affect the Company's ability to conduct business with other carriers.

Measures Taken to Prevent Unauthorized Disclosure.

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The Company has taken precautions to guard the secrecy of its network plans and financial results, including the Confidential Information, by limiting its dissemination. The Confidential Information is not known outside of the Company, except on a need to know basis with confidential protections (i.e., consultants, attorneys, and lenders), and is known within the Company only to senior managers and a limited number of employees with a particular need to know. The Company has expended a significant amount of time and money in developing the Confidential Information. The Confidential Information cannot be replicated by any other means.

<u>Availability of the Information to the Pubic and Extent of Any Previous Disclosure of the Information to Third Parties.</u>

The Confidential Information is not available to the general public and has never been disclosed to any outside third parties, except as described in the preceding paragraph.

Justification of the Period During Which the Material Should Not be Available for Public Disclosure.

The Company requests that the Confidential Information be maintained on a confidential basis indefinitely. Disclosure of the information at any time would be harmful.

Any Other Information That the Party Seeking Confidential Treatment Believes May Be Useful In Assessing Whether Its Request For Confidentiality Should Be Granted.

Exemption 4 of the Freedom of Information Act protects "trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential." 5 U.S.C. § 552(b)(4). The exemption affords protection to those submitters who are required to furnish commercial or financial information to the government by safeguarding them from the competitive disadvantages that could result from disclosure. If the financial information relates to business or trade, courts have considered it "commercial or financial." See, e.g., Dow Jones Co. v. FERC, 219 F.R.D. 167, 176 (C.D. Cal. 2002) (information relating "to business decisions and practices regarding the sale of power, and the operation and maintenance" of generators (quoting agency declaration)); Merit Energy Co. v. United States Dep't of the Interior, 180 F. Supp. 2d 1184, 1188 (D. Colo. 2001) ("information regarding oil and gas leases, prices, quantities and reserves"), appeal dismissed, No. 01-1347 (10th Cir. Sept. 4, 2001). The Confidential Information satisfies this test as well.